CALL TO ORDER AND ESTABLISHMENT OF QUORUM

A Regular Meeting of the Redmond City Council was called to order by Mayor John Marchione at 7:30 p.m. in the Council Chamber. Councilmembers present and establishing a quorum were: Allen, Carson, Flynn, Margeson, Myers, Stilin, and Vache.

PROCLAMATION: NATIONAL VOLUNTEER WEEK (APRIL 15 - 21, 2012)

Mayor Marchione presented a proclamation in recognition of National Volunteer Week. Members of the Redmond Police Explorers were in attendance to receive the proclamation.

PROCLAMATION: MUNICIPAL CLERK'S WEEK (April 29 - MAY 5, 2012)

Mayor Marchione presented a proclamation in recognition of April 29 - May 5, 2012, as Municipal Clerk's Week. The proclamation was presented to the City Clerk.

PROCLAMATION: RECORDS AND INFORMATION MANAGEMENT MONTH (APRIL 2012)

Mayor Marchione recognized the month of May as Records and Information Management Month, as designated by Governor Gregoire for the State of Washington.

ITEMS FROM THE AUDIENCE

Mayor Marchione opened Items from the Audience at this time.

The following persons spoke in opposition to Ordinance No. 2652, with respect to the prohibition of drive-throughs for pharmacies in the Overlake area: Mr. Larry Calvin and Mr. Bob Sherry.

The following person spoke in opposition to tree removal on the Overlake Group Health site: Ms. Marsh McGee.

The following person presented a commissioned art piece from the City of Duvall to the City of Redmond, recognizing the partnership of the City: Duvall City Mayor Will Ibershof.

There being no others wishing to present testimony, the Items from the Audience section of the meeting closed. Mayor Marchione asked Planning and Community Development Director Rob Odle to speak regarding the code as it pertains to drivethroughs in the City of Redmond.

Mr. Odle and Ms. Lynda Hall, Senior Planner, advised the code has only received clarification in this area, and that drivethroughs for pharmacies were never a permitted use in this particular zone.

CONSENT AGENDA

MOTION: Councilmember Vache moved to approve the Consent Agenda. The motion was seconded by Councilmember Allen.

- Approval of the Minutes: Regular Meeting of Tuesday, April 3, 2012
- Approval of Payroll/Direct Deposit and Claims Checks

PAYROLL DIRECT DEPOSITS/CHECKS:

#174958 through #175013 #12463 through #13169

\$2,479,840.40

CLAIMS CHECKS:

#370797 through #370988

\$1,431,844.04

- 3. AM No. 12-063: Approval of Amendment of the 2012 Non-Union Pay Plan to Accommodate a New Classification
 - Amending the 2012 Non-Union Pay Plan for the Year 2012
- (This item was removed from the Consent Agenda and addressed separately.)
- 5. AM No. 12-065: Acceptance of Construction with Transportation Systems, Inc. in a final contract amount of \$194,679 for 2010 Traffic Calming Beacons and Radar, Project No. 20021106

- 6. AM No. 12-066: Approval of Consultant Agreement with Murray, Smith and Associates, Inc. (MSA) in an amount not to exceed \$511,000 for Engineering Services Wastewater Pump Station No. 3 Rehabilitation
- 7. AM No. 12-067: Approval of Consultant Agreement with BHC Consultants, LLC in an amount not to exceed \$1,138,000 for Engineering Services Wastewater Pump Station Nos. 2, 10, 12, and 15 Rehabilitation
- 8. AM No. 12-068: Approval of Consultant Agreement with Hammond, Collier, PACE in an amount not to exceed \$125,000 for Engineering Services Wastewater Pump Station Nos. 9, 14, and Mattausch Private Pump Station Abandonment

VOTE: The motion to approve the Consent Agenda passed without objection. (7 - 0)

ITEMS PULLED FROM THE CONSENT AGENDA

- 4. AM No. 12-064: Approval of Fall 2011 Zoning Code Amendments (L110456)
 - a. Ordinance No. 2652: An Ordinance, Amending Portions of the Redmond Zoning Code in Order to Improve Clarity and Predictability (File No. L110456)

MOTION: Councilmember Allen moved to adopt Ordinance No. 2652. The motion was seconded by Councilmember Myers.

MOTION: Councilmember Myers moved to amend Ordinance No. 2652, to strike the reference to drive-through facilities in the index of the ordinance and also to strike the section particularly titled, "drive through facilities". The motion was seconded by Councilmember Carson.

Discussion ensued regarding amendment of the code in this regard, the need to study the impacts of the amendment prior to approving it, and City policy with respect to drive-through facilities in various zones, and for various uses, in the City.

Members of the Council agreed with sending the matter of drive-through facilities to the Planning and Public Works Committee for additional study.

WITHDRAW: Councilmember Myers withdrew his amendment.

VOTE: The main motion passed without objection.

(7 - 0)

HEARINGS AND REPORTS

PUBLIC HEARINGS

- 1. AM No. 12-069: Microsoft Redwest South Temporary Parking Lot Long-Term Temporary Use Permit, L120051 (quasi-judicial)
 - a. Ordinance No. 2653: An Ordinance Adopting the Technical Committee's February 29, 2012, Recommendation to Approve with Conditions the Microsoft Redwest South Parking Lot Long-Term Temporary Use Permit

Councilmember Carson declared he is currently working for a vendor that is contracted to the Microsoft Corporation; and has no affiliation with this specific project. No objection to Councilmember Carson's continued participation was heard.

Mr. Dennis Lisk, Associate Planner, provided a report to the Mayor and Members of the Council with regards to Ordinance No. 2653.

Discussion ensued regarding:

- public testimony submitted regarding current use at the parking lot for more than just vehicle parking, including construction staging parking;
- making clear that if the permit is extended, parking is only for vehicle parking; and
- potential plans for planting trees for screening purposes and future development of the property.

Mayor Marchione opened the public hearing at this time.

Mr. Palmer, representing Microsoft, affirmed the intent of the parking lot is purely for parking purposes and acknowledged that the lot had been used in the past on occasion for other uses. He noted that future development plans may make the parking lot go away in its entirety. Mr. Palmer noted Microsoft would have no objection to the inclusion of a condition related to the use purpose for parking on the lot.

There being no others who wished to testify, the public hearing closed and discussion moved to the Council.

MOTION: Councilmember Carson moved to adopt Ordinance No. 2653. The motion was seconded

by Councilmember Stilin.

MOTION: Councilmember Allen moved a primary amendment to include a condition of approval to read as follows: "with the additional condition that use of the temporary parking lot will be limited to vehicle parking." The motion was seconded by Councilmember Vache.

VOTE: The primary amendment passed with Councilmembers Carson and Myers in opposition. (5-2)

VOTE: The main motion as amended passed without objection. (7-0)

STAFF REPORTS

a. AM No. 12-070: Quarterly Financial Report

Mr. Mike Bailey, Finance and Information Services Director, provided the 2012 First Quarter Financial Report to the Mayor and Members of the Council. The report addressed:

- difficult economic times resulting in greater scrutiny;
- 2011-12 biennium;
 - o based on 2010 BP process;
 - o structurally balanced six years;
 - o economy continues slow recovery; and
 - o two perspectives;
 - one-time revenues; and
 - ability to sustain operations;
- caveats;
 - o new financial system implemented on July 5, 2011;
- General Fund cash flow; tracking better than budget due to one-time revenues and control of expenditures;
- General Fund Revenue;
 - o ahead of estimates by 5.1 percent includes one-time revenues of \$4.7 million (some adjustments still occurring as we prepare for annual report);
 - o property tax; not a volatile revenue, ahead of budget by 6.18 percent;

- o sales tax; ahead of estimates with one-time revenue ahead of estimates by 11.8 percent; otherwise, behind by 6.8 percent;
- o overall sales tax increase from 2011 YTD is 9.2 percent;
- o retail sales tax analysis overall increase from 2011 is 10 percent (data covers November to January); January 2012 over January 2011 is a decrease of 6 percent;
- o utility tax; below target by 3.2 percent, the trend continues to make progress;
- o other taxes; below target by .18 percent and is also making progress;
- o licenses and permits; trend shows some recovery compared to budget;
- o intergovernmental collection cycle dependent on factors outside of the City's control;
- o charges for service now beginning to see some improvement over prior biennium;
- o fines and forfeits offset by court costs
- o miscellaneous now includes transfer from water utility for fire protection services - expect this category to be a bit under estimates at biennium end; and
- o conclusion estimates used in budget appear to remain sound;
- General Fund Expenditures; and
 - o all departments budgets are below expenditure targets;
 - o departmental expenditures are better than or consistent with budget; and
 - o no major changes are anticipated in the budget;
- Water Sewer Operating Fund Issue: Revenues and Expenditures;
 - o S&P just concluded thorough review of the City's bond rating and has reaffirmed the AAA rating.
- b. AM No. 12-071: 2012 Neighborhood Network Meetings and Budgeting by Priorities Communications

Mr. Bailey reported the Finance Department partnered with the Planning Department regarding bringing the issue of the 2013-14 biennial budget to the community neighbor network meetings. He overviewed the community participation and feedback received during those meetings.

Councilmember Margeson asked that a summary of the meetings' findings be placed on the City's internet site for ease of public access. Ms. Kim Dietz, Senior Planner, noted that she would place this information on the neighborhoods' webpage.

c. AM No. 12-072: Redmond Housing Strategy Plan

Ms. Sarah Stiteler, Senior Planner, provided a report to the Mayor and Members of the Council regarding Redmond's Housing Strategy Plan. She noted a study session on the matter is scheduled for April 24, 2012. Council action is currently scheduled for May 15, 2012.

Follow-up notes were taken regarding:

- Councilmember Carson noted he has concerns with respect to the new strategy section;
 - o multi-family property tax exemption?;
 - o dedicated revenue source what would that be?; and
 - o off-set loss of housing by conversion what does this mean?;
- Councilmember Myers noted his concerns to be;
 - o cost of building housing how well are goals being met?; and
 - o the amount of time it takes to go through the process to get approval; and
- Councilmember Margeson;
 - o asked if a discussion could be held with regards to the permit process.
- d. Public Works Director Bill Campbell Retirement (added at the time of the meeting)

Mayor Marchione, Members of the Council, and members of staff recognized Mr. Campbell for his years of service to the City of Redmond community.

OMBUDSMAN REPORT

Councilmember Allen reported receiving citizen contacts regarding:

- tree removal on the Overlake Group Health site;
- whether or not it is legal to install convex mirrors for sight purposes within the City; it is legal; and
- a property owner in the Grasslawn neighborhood that is currently trying to fence City property as their own; code compliance has been tasked with following up on the matter.

COMMITTEE REPORTS

Planning and Public Works Committee

Councilmember Allen overviewed the April 10, 2012, committee agenda items discussed.

Growth Management Planning Council

Councilmember Allen reported the committee met on April 4, 2012, and discussed (1) extension of the City of Seattle annexation area to encompass an area called the "Sliver by the River"; and (2) credits given to cities re: affordable housing.

Eastside Transportation Partnership (ETP)

Councilmember Allen reported the committee met last Friday and received a comprehensive report from the Washington State Department of Transportation on the SR 520 bridge project.

Regional Transit Committee

Councilmember Allen reported the committee will meet tomorrow to discuss Metro alternative service proposed. She is working to have the City of Redmond's concerns on the table for further discussion.

Public Administration and Finance Committee

Councilmember Stilin report the committee met earlier in the afternoon on April 17, 2012. He overviewed the items discussed during that meeting.

Regional Law Safety and Justice Committee

Councilmember Stilin reported that the juvenile justice center replacement was discussed at length; a plan for financing will be forthcoming.

Public Safety Committee

Councilmember Carson reported the next meeting will be held on April 24, 2012, at Fire Station No. 17, 4:30 p.m.

Suburban Cities Public Issues Committee (PIC)

Councilmember Margeson reported the PIC met and:

- discussed the juvenile justice center needed replacement;
- received a report from the Emergency Management Advisory Committee; and
- considered further King County Flood Control District input; their position has not changed.

Regional Policy Committee

Mayor Marchione noted this committee has asked the County regarding planned bond issues over the next few years. He will bring this list to the Council once it is received.

ADJOURNMENT

There being no further business to come before the Council the regular meeting adjourned at 9:27 p.m.

JOHN MARCHIONE, MAYOR

Minutes Approved: May 1, 2012